

## **AMERICA'S COMMUNITY BANKERS HOUSING OPPORTUNITIES STATEMENT OF PRINCIPLES**

Members of America's Community Bankers are progressive community-based lenders dedicated to strengthening America's communities by meeting the financial needs of customers fairly and efficiently and by fostering equal credit opportunity. In pursuing these goals, ACB members are supporting their communities by providing housing finance, consumer credit and small business lending and other financial services that contribute to economic vitality and job creation.

ACB member institutions—their management and employees—are committed to ensuring that credit is available to all segments of American society on a fair and equitable basis. ACB members support consumer education that informs customers of the availability and requirements of financial products and services. ACB members actively support outreach to the entire community, and specifically to non-profit community organizations seeking to provide ongoing consumer education. America's Community Bankers, as a founding member of the American Homeowner Education and Counseling Institute, is committed to improving the quality, effectiveness, and impact of homeowner education and counseling so that more Americans can realize the dream of homeownership.

ACB member institutions—their management and employees—strongly endorse the goals of laws and regulations aimed at eliminating discrimination in any form in home mortgage lending or in the delivery of other financial services or products.

ACB members are committed to ensuring that all applicants receive the same degree of assistance and support in seeking credit—regardless of race, gender, religion or national origin. ACB is committed to the education of its members' employees through better training and information on how to work with applicants of all backgrounds and income levels, and it has specifically incorporated such diversity lending training into the curriculum of its Community Lending Institute.

America's Community Bankers, as a founder of the National Partners in Homeownership, is committed to forging alliances between the public and private sector, between for-profits and not-for-profits, between lenders and borrowers; and involving all the participants in the home-buying process to achieve the goal of eight million new homeowners by the end of the year 2000.

America's Community Bankers' member institutions are called upon to endorse and adhere to these principles, and ACB will provide ongoing assistance to members in meeting their goals of effectively serving their communities.

—Adopted by ACB Board of Directors  
October 27, 1996

## Pending Proposals on Predatory Lending

May 19, 2000

<b>Forum</b>	<b>Proposal</b>	<b>Activity</b>
<b>Federal Reserve</b>	Convened 9-agency working group in Fall of 1999.	No public action by the group (but see agency actions below).
<b>Office of Thrift Supervision</b>	Issued advance notice of proposed rulemaking 4/5/00 seeking comments on a variety of ways to deal with predatory lending.	Comments due on 7/5/00. <b>ACB</b> issued statement 4/4/00 commenting that the ANPR could discourage legitimate lending.
<b>Federal Deposit Insurance Corporation</b>	Drafted a paper recommending higher capital for subprime loans and circulated it among other agencies. (No formal request for comments.)	<b>ACB</b> wrote to FDIC 3/20/00 expressing concerns about the effects the paper could have and asking for an opportunity to make formal comments. FDIC replied 4/28 that it will not adopt a rule without reaching interagency agreement.
<b>Comptroller of the Currency</b>	Agency staff is exploring supervisory actions the OCC can take under current authority.	Timetable for action is uncertain.
<b>HUD &amp; Treasury</b>	Formed a predatory lending task force 4/12/00 which includes <b>ACB</b> and other industry groups. Announced plans to seek legislation to prevent Fannie Mae and Freddie Mac from purchasing predatory loans.	Task force forums held in Atlanta (4/26); Los Angeles (5/2); New York (5/12); Baltimore (5/19); and scheduled for Chicago (5/25). HUD and Treasury plan legislative and other recommendations by the end of May.
<b>House of Representatives</b>	Rep. Ney, H.R. 4213; Rep. LaFalce & 10 co-sponsors, H.R. 4250 (companion to S. 2415); Rep. Schakowsky, H.R. 3901.	Financial Institutions Chair, Roukema, has asked for & received regulator comment. Banking Committee hearing 5/24.
<b>Senate</b>	Sen. Sarbanes, S. 2415 & co-sponsors Dodd, Schumer & Kerry (companion to H.R. 4250); Sen. Schumer, S. 2405.	Chairman Gramm asked agencies 4/12 for definition of predatory lending and data. He has received replies.
<b>Freddie Mac</b>	Issued memo 3/24/00 detailing terms of loans it will not accept.	Congress could impose these limits, or others, by statute.
<b>Fannie Mae</b>	Issued memo 4/11/00 listing terms of loans it will not accept.	Congress could impose these limits, or others, by statute.